

FREQUENTLY ASKED QUESTIONS

Moderate Income Housing Unit (MIHU) Homeownership Program

What is the minimum income required to purchase a home through the MIHU program? Our department is responsible for setting the maximum income limits/household size limits and the MIHU sales prices. We do not establish minimum income requirements. However, you must be able to obtain a mortgage for featured MIHU opportunities based on standard mortgage underwriting criteria. Historically, incomes of \$55,000 – \$80,000 or more are necessary to purchase homes offered through the MIHU program.

I have no income or very limited income, does the program provide assistance? No, the MIHU program targets individuals and families deemed to be of moderate income. Income must be sufficient to obtain a mortgage for the homes featured through the MIHU program.

What other factors are considered in determining if I am eligible to purchase a home through the MIHU program? Like market rate purchasers, you must have a minimum FICO score of 620, have an acceptable credit history and have monthly debt that is acceptable based on standard mortgage underwriting criteria for featured homes to be awarded.

What is the price of homes through the MIHU program? Approximately 90% of the homes currently being awarded range from \$285,000 - \$370,000.

With such high prices, what is the benefit of the MIHU program? MIHU homes that range from \$285,000 - \$370,000 have a true market value of as much as \$ 360,000 - \$480,000 or more. This means that homes being sold for as much as \$90,000 – 130,000 or more below market and equates to affordable mortgage payments suitable for moderate income earners.

When will the next lottery be held? We award nearly 40 homes per year which equates to 40 lotteries. However, we are unable to estimate when lotteries will be held because homes are awarded as they become available from Builders or current MIHU homeowners interested in selling their homes.

How long is the waitlist? We are unable to maintain a waitlist because only candidates who are mortgage eligible for featured homes can be offered an opportunity to participate in a lottery. We select pre-qualified mortgage eligible candidates from an active database to participate in each lottery.

If I am working with a Realtor and am selected for a home, may I use my Realtor for the MIHU sales transaction? Realtors are not compensated for MIHU sales transactions. The standard sale process is County regulated, non-negotiable and facilitated by Howard County. Howard County does not receive compensation for MIHU sales transactions.

If my income increases or my family size changes after I purchase an MIHU, will I have to sell my home? No, after you have purchased your home you are no longer subject to MIHU income/eligibility requirements

Does Howard County offer programs to assist with downpayment and closing costs? Yes, if you are a first-time homebuyer you may be eligible to receive a deferred loan for up to \$25,000 to assist with the purchase of your home. Please access this link for additional information: [Settlement Down Loan Program \(SDLP\)](#).

When can I sell my MIHU home? If you can satisfy the liens on your home (what you owe), you are able to sell your home at any time through the MIHU re-sale process.

Will I receive equity when I sell my MIHU home? Yes, if your home is sold through the required MIHU re-sale process, you will receive 100% of the proceeds of the sale.

When my home is paid in full, is it still considered an MIHU unit? Yes, the home is an MIHU program into perpetuity. Although you own the property “free and clear”, when the home is sold, it must be sold through the MIHU re-sale process.

FOR MORE DETAILED MIHU HOMEOWNERSHIP INFORMATION below or call (410) 313-6318, Option 2 or view the MIHU Homeownership PowerPoint on the previous webpage.